

STATE OF CALIFORNIA
CONSUMER POWER AND CONSERVATION
FINANCING AUTHORITY



PR01:03

FOR IMMEDIATE RELEASE

September 17, 2001

CONTACT: Amber Pasricha
916/651-9750

**CA POWER AUTHORITY MOVES FORWARD WITH
FIRM "GREEN POWER"**

Authority Pursues Energy to Restore 15 Percent Reserves

Sacramento, CA –The California Consumer Power and Conservation Financing Authority (Authority) today announced the continuing support for renewable forms of energy as well as for peaker plants to ensure reliability. At the third Authority Board meeting at the Capitol today, plans were discussed to power the state with clean and reliable energy, which requires firm energy combined with intermittent sources, such as wind and solar projects.

In his report to the Board, the Chairman announced the signing of 14 letters of intent, which allows the Authority to begin negotiations with approximately 1320 MW of renewable energy projects, comprised mainly of wind and bio-fuel. The Authority's goal is to sign contracts to acquire 1000 MW of renewable energy by summer of 2002.

The Authority is committed to reaching Governor Gray Davis' recommended 17 percent goal of clean energy by 2006.

"Peak loads during peak times call for a combination of firm 'green power' that remains available when our intermittent sources, such as wind and solar do not generate," said Chairman S. David Freeman. "Having received numerous proposals, the Authority has the ability to pull from both resources to advance toward our goal of having a 15 percent reserve for the state."

"As we've begun to review proposals submitted by both renewable energy and gas fired peaker developers, we must recognize the need to provide energy to the state that is not only clean but reliable as well," said Director Sunne McPeak.

The Board today took the same steps that were taken with the renewable energy projects by authorizing Mr. Freeman to enter into letters of intent for gas fired peaker projects. This allows the Authority to begin pursuing approximately 2000 MW of gas fired peaker projects to be on-line for next summer. The Authority received proposals from more than 60 developers of natural gas-fired peakers.

In diversifying the State's energy portfolio, the Authority has also placed a draft request for bids on the Web site for public review and comment for microturbine, solar photovoltaic and fuel cell projects. The Authority's Web site is www.capowerauthority.ca.gov.

Signed Letters of Intent:

Wind Proposals:

PacificCorp Power Marketing
Clipper Windpower, LLC (3 projects)
Cannon Energy Corporation
Windridge, LLC (FPL)
CVT Marketing Group, LTD
High Winds, LLC (FPL)
Southern Sierra Power (FPL)
Enron Wind Development
Sea West WindPower, Inc
Enron Wind Development

Bio Fuel Proposals

Far West Energy, Inc. (2 projects)

###